FEDERAL BUREAU OF INVESTIGATION
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10/4/67

AIRTEL

To: SAC, New York (92-3371)

From: Director, FBI (162-1-202)

GAMBLING ACTIVITIES - BAHAMAS
AR
(OO: MIAMI)

ReNYlet to the Bureau dated 9/27/67.

In view of the lack of current information pertaining to the operation of the proposed casinoon Paradise Island, Nassau, Bahamas, Bureau authority is granted to contact Mr. Jack Davis, President, Mary Carter Paint Company, or his attorney, Mr. Charles Murphy, to determine such information as the identities of the individuals who have control of the gambling license and the individuals who will actually operate the casino.

1 - Miami (92-1242)

orig filed in 92-3371

92-3371-158

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
OCT 5 1967
FBI — NEW YORK

FD-302 (Rev. 4-15-64)

FEDERAL BUREAU OF INVESTIGATION

Date 9/23/66

On September 22, 1966, Mr. I. J. DAVIS, Drake Hotel, New York, New York, advised that he is the President and Board Chairman of the Mary Carter Paint Company, having offices at 375 Park Avenue, New York, New York.

DAVIS advised that the Bahama Developments Limited is a wholly-owned subsidiary of the Mary Carter Paint Company and has been engaged in the selling and developing of the acreage located in the Queens Cove section of the Grand Bahama Island for the past four years.

DAVIS advised he was first contacted by LOU CHESLER in May of 1966, at which time CHESLER proposed that he be considered as a selling agent for acreages in the Queens Cove development. CHESLER argued that he could do a better job of selling the real estate in view of his past experience and his real estate contacts in Nassau. Negotiations were initiated and these discussions lasted for approximately 30 days. During this period word got around of CHESLER's past association with undesirable elements and finally DAVIS learned that CHESLER had gone ahead and organized the Queens Cove Realty Company in anticipation of coming to an agreement. This company was found to be without any assets, and at this point negotiations with CHESLER immediately terminated. DAVIS admitted that CHESLER had not become interested in the Queens Cove development until after it was known that the Mary Carter Paint Company had obtained the license to build and operate a gambling casino in conjunction with the building of a hotel on Paradise Island. This did appear to him to indicate that CHESLER may have been attempting to gain an entree into the operation of the Paradise Island casino. He said that this would have been a difficult thing to accomplish for CHESLER inasmuch as the Bahamian authorities would never have accepted CHESLER as a holder of interest in the casino. In this regard he stated that CHESLER is now not highly regarded by the Bahamian authorities and, in fact, has a "bad name". During the above

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On 9/22/66 at New York City File # NY 92-3371-15

by SA NORMAN A. MURRAY, JR.
SA DONALD A. RIVERS :vmc Date dictated 9/23/66

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negotiations with CHESLER no written agreements or contracts were signed. The result of the discussions with CHESLER deteriorated to a point where CHESLER had now brought suit against DAVIS and his company based upon alleged breach of contract. He stated that in his opinion CHESLER hasn't a real valid case.

DAVIS explained that the Mary Carter Paint Company upon invitation by the Bahamian Government became interested in the development of Paradise Island when it was learned the former owner, HUNTINGTON HARTFORD, had put the area up for sale. Prior to his company's acquisition of Paradise Island he had learned that MORRIS LANSBURG, who is associated with the Eden Roc Hotel in Miami, Florida, and the Flamingo Hotel in Las Vegas, Nevada, had made an attractive offer to purchase the island. LANSBURG, in fact, had been exceptionally liberal in his agreement to provide improvements beyond the usual commitments. However, the Government had gone on record as being strictly opposed to the granting of licenses to any individual even remotely connected with Las Vegas. Accordingly, LANSBURG, primarily because of his affiliation with the Flamingo Hotel in Las Vegas, was not approved by the Government.

Regarding the operation of the casino on Paradise Island, DAVIS said that the Government stipulated that WALLACE GROVES have control over the operation of the casino. His control would encompass the hiring of personnel to run the casino. In this regard, no more than 25 per cent of the employees can be Americans. The necessity of having Americans employed was advanced by GROVES. GROVES held that American personnel were needed primarily to assess the credit standing of Americans visiting the casinos to gamble. DAVIS added that it was his opinion that GROVES considers MAX COURTNEY, CHARLES RITTER, and CHARLES BRUDNER very knowledgeable in this area and it would be conceivable that GROVES, although aware of the background and activities of these individuals, feels their ability to know intimately the immediate credit status of potential high rollers in the United States is an extremely valuable asset to the successful operation of the casino. However, DAVIS stated he has learned that COURTNEY, RITTER and BRUDNER at the insistence of the Government will leave the Bahama Islands around January, 1967, and it is his understanding that they will go to Venezuela.

DAVIS stated that other commitments made to the Government concerning the development of Paradise Island were a $285,000 a year fee for the operation of the casino; the hotel to be built will have a minimum of 500 rooms and this must be expanded to 1000 rooms within 5 years; and that this company will construct a bridge connecting Paradise Island with New Providence Island.

DAVIS remarked that any previous relationship that existed between WALLACE GROVES and LOU CHESLER has deteriorated to a point where GROVES completely mistrusts CHESLER and will not have any dealings with him.

9/23/66

AIRTEL

TO: DIRECTOR, FBI (162-1-202)

FROM: SAC, NEW YORK (92-3371) RUC

SUBJECT: GAMBLING ACTIVITIES - BAHAMAS
AR
(OO: MIAMI)

Re Tampa airtel, 9/16/66.

Enclosed for the Bureau is one copy of an FD 302 reflecting interview with Mr. I. J. DAVIS, President and Board Chairman of the Mary Carter Paint Company. Enclosed for Miami are 8 copies of this FD 302.

Prior to his departure for Nassau on 9/22/66, arrangements were made to interview DAVIS in NYC. During the interview DAVIS appeared very cooperative and indicated a desire to assist the FBI in any way he could concerning any hoodlum activities connected with Paradise Island that comes to his attention.

DAVIS stated that he expects to return to NYC at least once again before the holiday season and he hopes at that time to have pertinent information which would be of interest to the Bureau.

During the interview DAVIS, although not flatly stating so, left the impression that his distrust of LOU CHESLER was initially motivated by a warning given to him by WALLACE GROVES concerning CHESLER's reputation.

3 - Bureau (162-1-202) (Enc. 1)
2 - Miami (92-1242) (Encls. 8)
1 - New York (92-3371)
1 - Supervisor (#22)

DAR:vmc
(7)

9/23/66

92-3371-16

Searched
Serialized
Indexed
Filed

The NYO will remain alert for further information concerning instant matter and upon recontact by DAVIS will furnish pertinent information to the Bureau and Miami.

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, New York (92-3371)

DATE: 9/26/66

FROM : Director, FBI (162-1-202)

SUBJECT: GAMBLING ACTIVITIES - BAHAMAS
AR

Re New York airtel 9/23/66.

It is noted that New York Office expects that arrangements will be made to interview Mr. I. J. Davis of the Mary Carter Paint Company upon his return to New York City in the near future. Inasmuch as the Mary Carter Paint Company has the controlling interest in the development of Paradise Island in the Bahamas, it would appear that Mr. Davis should have detailed knowledge concerning the financing of any gambling casinos being built in connection with the development of this island. In view of the Bureau's interest in determining the hidden ownership interests in gambling casinos as exemplified by the situation which exists in Las Vegas, any information concerning the funds involved in the proposed casino being built on Paradise Island would be very valuable. If it can be discreetly done, you should attempt to elicit from Mr. Davis any data about the funds being used for the construction and equipment of the casino, its operating expenses and its bank roll.

With reference to the employees of the casino, you should make arrangements to obtain, if possible, the complete identities of all United States citizens who may be engaged to work therein. As you are aware, Max Courtney, Charles Ritter and Charles Brudner have been indicted and warrants for their arrest are outstanding in the United States. These individuals are considered to be under the control of Meyer Lansky.

There have been several indications that Lansky and his associates are making strenuous efforts to obtain control of additional gambling casinos in the Bahamas. The Bureau is extremely interested in any such efforts of United States hoodlums to transfer their interests outside the United States. Keep the Bureau fully advised on all developments in this matter.

1 - Miami (92-1242)

92-3371-17

SEARCHED ..... INDEXED .....
SERIALIZED ..... FILED .....
SEP 28 1966
NEW YORK

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

SAC, New York (92-3371) 9/26/66

Director, FBI (162-1-202)

GAMBLING ACTIVITIES - BAHAMAS
AR

Re New York airtel 9/23/66.

It is noted that New York Office expects that arrangements will be made to interview Mr. I. J. Davis of the Mary Carter Paint Company upon his return to New York City in the near future. Inasmuch as the Mary Carter Paint Company has the controlling interest in the development of Paradise Island in the Bahamas, it would appear that Mr. Davis should have detailed knowledge concerning the financing of any gambling casinos being built in connection with the development of this island. In view of the Bureau's interest in determining the hidden ownership interests in gambling casinos as exemplified by the situation which exists in Las Vegas, any information concerning the funds involved in the proposed casino being built on Paradise Island would be very valuable. If it can be discreetly done, you should attempt to elicit from Mr. Davis any data about the funds being used for the construction and equipment of the casino, its operating expenses and its bank roll.

With reference to the employees of the casino, you should make arrangements to obtain, if possible, the complete identities of all United States citizens who may be engaged to work therein. As you are aware, Max Courtney, Charles Ritter and Charles Brudner have been indicted and warrants for their arrest are outstanding in the United States. These individuals are considered to be under the control of Meyer Lansky.

There have been several indications that Lansky and his associates are making strenuous efforts to obtain control of additional gambling casinos in the Bahamas. The Bureau is extremely interested in any such efforts of United States hoodlums to transfer their interests outside the United States. Keep the Bureau fully advised on all developments in this matter.

92-3371-17

1 - Miami (92-1242)

Case being reopened

SEARCHED ..... INDEXED
SERIALIZED ..... FILED
SEP 28 1966
FBI - NEW YORK

8/10/66

AIRTEL

TO: DIRECTOR, FBI (162-1-202)

FROM: SAC, MIAMI (92-1242) (P)

RE: GAMBLING ACTIVITIES - BAHAMAS
AR
(00 - MM)

[redacted] on 8/8/66, confidentially advised the Miami Office that [redacted] b7D

It is to be noted that LOUIS CHESLER was one of the principal developers of Freeport, Grand Bahamas, and the Lucayan Beach Hotel and was responsible for the establishment of the Monte Carlo Casino at the Lucayan Beach Hotel. Information has been received alleging that LOUIS CHESLER interceded in behalf of MEYER LANSKY and FRANK COSTELLO,

3 - Bureau
2 - Tampa
2 - Miami (1 - 92-1242)
(1 - 92-1176) (CHESLER)

FJS:jkj
(7)

SEARCHED ..... INDEXED .....
SERIALIZED ..... FILED .....
SEP 19 1966
FBI - NEW YORK

92-3391-46

92-706-1

SEARCHED ..... INDEXED .....
SERIALIZED ..... FILED .....
AUG 11 1966
FBI - TAMPA

notorious hoodlums in establishing the Monte Carlo Casino. It is known that following the opening of the Monte Carlo Casino, the place was staffed by associates of MEYER LANSKY who were formerly with him in gambling casinos in Havana, Cuba, and reportedly associated with him in casinos in Las Vegas, Nevada.

The Mary Carter Paint Company and Paradise Island Enterprises have been granted authority by the Bahamas to build and operate a major gambling casino at Paradise Island, which is located at Nassau, Bahamas. In the event that LOUIS CHESLER succeeds in buying into Mary Carter Paint Company, it is possible that members of the criminal element may succeed in getting to CHESLER and taking over control of the gambling casino, which is to be built on Paradise Island.

The I. J. DAVIS, who is identified in the "Nassau Tribune" as the Mary Carter Paint chief is believed to be identical with I. G. DAVIS, JR., President and member of the board of directors of the Mary Carter Paint Company, who is believed to reside at Horizon House, 31 Island Way, Clearwater, Florida.

The Tampa Office at Clearwater, Fla., is requested to interview I. G. DAVIS, JR., of the Mary Carter Paint Co., relative to the report that appeared in the "Nassau Tribune," which reflected that LOUIS CHESLER and the Roberts Realty, Ltd., is interested in negotiations with the Mary Carter Paint Co., relative to Queens Cove, Ltd. It is recognized

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-107

UNITED STATES GOVERNMENT

Memorandum

ASST. DIR
SAC I
SAC II
SAC III
SAC IV
SUPV. 20
21
211
212
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222
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231
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251

TO : SAC, New York (92-3371)

DATE: 2/8/67

FROM : Director, FBI (162-1-102)

SUBJECT: GAMBLING ACTIVITIES - BAHAMAS
AR

Re New York airtel 2/1/67.

Re airtel reports information furnished by Mr. Charles Murphy, Attorney, Mary Carter Paint Company, concerning this company's interest in the hotels being built on Paradise Island, Nassau, Bahamas. It is noted that an elaborate article captioned "The Scandal in the Bahamas" was published in the 2/3/67 issue of "Life" Magazine. In this article certain statements are made concerning the investment of the Mary Carter Paint Company in the Bahamas and the deals which were necessary with various individuals to enable the company to establish its hotel and gambling casino. It is noted that the article alleges that the company had to yield 4/9ths of the casino and all of the management of it to Wallace Groves's Bahamas Amusements, Ltd., and that Lansky and company are slated to run the Paradise Island casino when it opens. The latter have been cut in for a flat 15 per cent of the gross gambling profits.

New York should carefully review this article and upon the next contact with either Mr. Murphy or Mr. I. J. Davis, President of the Mary Carter Paint Company, they should be discreetly requested to comment concerning such statements and the amount of control which Bahamas Amusements, Ltd., Wallace Groves or any individuals associated with the existing gambling casinos have acquired in Paradise Island.

1 - Miami (92-1242)

92-3371-5

SEARCHED INDEXED
SERIALIZED FILED
FEB 9 1967
FBI—NEW YORK

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

SAC, New York (92-3371) 2/8/67

Director, FBI (162-1-102)

GAMBLING ACTIVITIES - BAHAMAS
AR

Re New York airtel 2/1/67.

Re airtel reports information furnished by Mr. Charles Murphy, Attorney, Mary Carter Paint Company, concerning this company's interest in the hotels being built on Paradise Island, Nassau, Bahamas. It is noted that an elaborate article captioned "The Scandal in the Bahamas" was published in the 2/3/67 issue of "Life" Magazine. In this article certain statements are made concerning the investment of the Mary Carter Paint Company in the Bahamas and the deals which were necessary with various individuals to enable the company to establish its hotel and gambling casino. It is noted that the article alleges that the company had to yield 4/9ths of the casino and all of the management of it to Wallace Groves's Bahamas Amusements, Ltd., and that Lansky and company are slated to run the Paradise Island casino when it opens. The latter have been cut in for a flat 15 per cent of the gross gambling profits.

New York should carefully review this article and upon the next contact with either Mr. Murphy or Mr. I. J. Davis, President of the Mary Carter Paint Company, they should be discreetly requested to comment concerning such statements and the amount of control which Bahamas Amusements, Ltd., Wallace Groves or any individuals associated with the existing gambling casinos have acquired in Paradise Island.

1 - Miami (92-1242)

92-3371-57

SEARCHED INDEXED
SERIALIZED FILED
FEB 9 1967
FBI—NEW YORK
OK

2/27/67

A I R T E L

TO: DIRECTOR, FBI (162-1-202)

FROM: SAC, MIAMI (92-1242) (P)

GAMBLING ACTIVITIES - BAHAMAS
ANTI-RACKETEERING
(OO: Miami)

Re New York airtel to the Bureau and Miami dated 2/1/67, and Bureau airtel to New York and Miami dated 2/8/67, relative to Mr. CHARLES MURPHY of the Mary Carter Paint Company, New York.

On 2/17/67, [redacted] confidentially advised SA FRANK J. SMITH that [redacted] b6 b7C b7D

[redacted] furnished a copy of [redacted] b6 b7C b7D

[redacted] b7D

[redacted] it was pointed out that if

3 - Bureau
(2) - New York (92-3371)
2 - Miami (1 - 92-1242)
(1 - 92-877 LANSBURGH)

FJS:jm
(7)

92-3371-51

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
FEB 28 1967
FBI — NEW YORK

[redacted] b7D

It was also mentioned [redacted] b7D

It is quite apparent that [redacted] b7D

It is noted that in the past MORRIS LANSBURGH has been closely associated with MEYER LANSKY interests in gambling casino ventures. His most recent venture is the Flamingo Hotel-Casino in Las Vegas. The manager of this casino under MORRIS LANSBURGH has been identified as CHESTER SIMMS. This individual has long associated with LANSKY in casino operations. The Flamingo Casino in Las Vegas is one of the casinos under investigation for engaging in reported skimming operations.

It would appear that if the LANSBURGH interests gained the full control of the gambling interests of the Paradise Island, Ltd. (the corporation to whom the gambling exemption has been granted), the LANSKY group would in effect be again directing casino operations in the Bahamas.

FD-302 (Rev. 4-15-64)

FEDERAL BUREAU OF INVESTIGATION

Date 3/6/67

On February 28, 1967, Mr. JACK DAVIS, President, Mary Carter Paint Company, was interviewed at his office at 375 Park Avenue, New York, New York.

DAVIS advised that the Mary Carter Paint Company had requested authorization from the present Bahamian Government to purchase back from WALLACE GROVES the interest GROVES possesses in the proposed Paradise Island casino. DAVIS stated that recently his company had become disillusioned with GROVES, and that approval from the present government was necessary, inasmuch as the previous government had stipulated that GROVES had to be included in the management of the proposed casino. This arrangement was accomplished by the purchase of a small private gambling club in Nassau known as the Bahamian Club by the Mary Carter Paint Company and WALLACE GROVES. The Certificate of Exemption necessary to operate a gambling casino was thereby transferred from the Bahamian Club to the proposed Paradise Island casino.

DAVIS stated that he had visited Las Vegas, Nevada, expressly for the purpose of studying the physical layouts of the casinos there. On the return flight from Las Vegas, he met MORRIS LANSBURGH of Miami aboard the plane, and it was during this period that he entered into discussions with LANSBURGH concerning operations of the proposed casino on Paradise Island. These discussions eventually led to a mutual agreement between interest represented by the Mary Carter Paint Company and LANSBURGH. An important part of this agreement was that the Mary Carter Paint Company would request authorization from the present government to purchase back WALLACE GROVES' interest in the proposed casino, and, if successful, would sell such interest to LANSBURGH and his group. DAVIS identified SAM COHEN, of the Jacob Cohen and Sons Real Estate firm, as the principal financial backer of LANSBURGH. The Jacob Cohen and Sons Realty firm reportedly owns twenty thousand apartment units in the Brooklyn, Queens area of New York City, and the realty holdings of this firm are allegedly

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On 2/28/67 at New York, New York File # NY 92-3371-68

by SAS DONALD A. RIVERS and EDWARD J. MALLON/rm Date dictated 3/6/67

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valued in excess of $100,000,000. According to DAVIS, COHEN recently has purchased a substantial interest in the Miami National Bank, Miami, Florida. DAVIS added that COHEN's value to this undertaking was apparent because of his great wealth, and LANSBURGH's value lies in his experience in the operation of hotels and casinos, together with his ability to attract top acts in show business.

DAVIS remarked that LANSBURGH had indicated that he would bring in CHESTER SIMMS from the Flamingo Hotel casino in Las Vegas to manage the proposed casino. In addition, LANSBURGH proposed that his interest be represented by [redacted], and his son-in-law, HOWARD FEINBERG. COHEN's interest would be represented by [redacted] and COHEN's son-in-law, JERRY WITTELS. FEINBERG was described as an attorney in Dade County, Florida, and WITTELS as a director in the Miami National Bank. b6 b7C

DAVIS stated that in the prior arrangement with WALLACE GROVES, his company was required to yield four-ninths interest in the casino to GROVES, and this represents substantially the interest that the company hopes to buy back. DAVIS added that the LANSBURGH-COHEN group would buy approximately this percentage of interest; however, he stated that this would not necessarily be exactly the same proportion.

DAVIS said that the actual operation of the hotel will be handled by the Loew's Hotel Corporation, whom he described as owners and operators of a substantial amount of hotels and motels in the United States and abroad.

DAVIS stated that in previous conversations with WALLACE GROVES, he had on many occasions brought up the subject of MEYER LANSKY and GROVES discounted any influences exerted by LANSKY in the operation of the Bahamian Club in Nassau or the proposed casino on Paradise Island. DAVIS further advised that he had not come into the possession of any information on his own that would reflect any influence or interest of LANSKY in the proposed casino. He did state that the recent unfavorable publicity afforded the Bahamas in national publications has caused him and his company a great amount of concern. He stated that he did not relish the idea of the Mary Carter Paint Company being mentioned in the same article with MEYER LANSKY, or other top gambling or hoodlum figures.

DAVIS referred to an article that was written in "Life" Magazine, wherein it was stated that LANSKY was allegedly supposed to have been cut in for a flat 15% of the gross gambling profits that will accrue from the proposed casino. He stated that this was completely false, inasmuch as he had been a very interested party to this particular transaction.

Mary Carter Paint Co. Plans to Take Over Gambling Permit, Casino in British Bahamas

By STANLEY PENN
Staff Reporter of THE WALL STREET JOURNAL

NEW YORK—Mary Carter Paint Co. is arranging to take over a gambling casino in the British Bahamas that is controled by Wallace Groves, a controversial, former Wall Street financier.

Mary Carter is a Tampa, Fla., paint-making company, the shares of which are traded on the American Stock Exchange. The company, which has been diversifying into leisure-time activities, is financing the development of a big resort center on Paradise Island in Nassau Harbor in association with Huntington Hartford, art patron and an heir to the Great Atlantic & Pacific Tea Co. fortune.

James M. Crosby, chairman of Mary Carter, said the company, which owns 56% of the Bahamian Club casino in Nassau, capital of the Bahamas, has agreed to buy the operating permit and the remaining 44% interest held by Mr. Groves' Paradise Enterprises Ltd.

The Bahamian Club is scheduled to close down permanently when the new Paradise Island casino opens next December. The Bahamian Club permit is to be transferred to the Paradise casino. Thus, in acquiring the permit, Mary Carter would be acquiring the right to operate the new Paradise casino.

The acquisition by Mary Carter of the permit is subject to the approval of the Bahamian government, headed by Premier Lynden Pindling.

Mary Carter has agreed to pay $2.1 million to Paradise Enterprises, Mr. Crosby said in a telephone interview. That consists of a purchase price of $1.5 million and repayment of advances of $600,000.

The stock of Paradise Enterprises is owned by Mr. Groves' wife, Georgette.

Mr. Crosby said that Mary Carter would search carefully for topnotch people to manage the new Paradise casino, people who haven't had any run-ins with law enforcement officials in the U.S.

The other two casinos in the Bahamas are on Grand Bahama Island, 120 miles to the northwest of Nassau. Those casinos, also controlled by Mr. Groves, have been the center of a controversy for many months.

Three U.S. fugitives were managers of one of the casinos until they were forced to resign early this year. A government investigation into the operation of the casinos began last March. The inquiry was provoked by charges that the U.S. crime syndicate has been skimming off casino profits to finance its illicit activities. It was also claimed that the "Bay Street Boys," a group of white merchant-politicians who formerly ran this self-governing colony, had profited in a big way by granting a permit to the Groves group to operate casinos on Grand Bahama. The hearings, now in adjournment, are slated to resume in August.

Mr. Pindling, who had been leader of the Negro opposition, capitalized on the gambling and conflict-of-interest charges to win an upset victory last January.

Efforts yesterday to reach Mr. Groves to learn why his group decided to get out of the casino in Nassau were unsuccessful.

Paradise Island is connected to Nassau by a recently completed bridge. Mr. Hartford bought the bulk of the 750-acre island in 1959 from the late Axel Wenner-Gren of Sweden. Hartford is said to have invested about [redacted] Paradise Island, which had been

operate a gambling casino on the island. So he sold approximately 75% of his interest in the island to Mary Carter for $12.5 million. He retained the other 25%. Mary Carter will have spent about $30 million to develop the island by year's end, including the amount paid to Mr. Hartford, Mr. Crosby estimated.

The island will feature a new 500-room hotel, overlooking the beach. Loew's Theatres Inc., New York, will operate the hotel for Mary Carter. The Paradise casino will be adjacent to this hotel. Also, Mary Carter has built a smaller 100-room hotel on the island.

Mary Carter produces a line of over 400 paints and related products sold in more than 1,100 retail outlets in the U.S., Puerto Rico and elsewhere.

The Wall Street Journal
Wednesday
June 14, 1967
Page 4

92-3371-97
SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
JUN 1967
FBI—NEW YORK
RYERS, D

10/4/67

AIRTEL

TO: DIRECTOR, FBI (162-1-202)

FROM: SAC, MIAMI (92-1242) (P)

RE: GAMBLING ACTIVITIES - BAHAMAS
AR
(OO: Miami)

Re New York letter to the Bureau, 9/27/67.

For the info of New York, [redacted] has furnished Miami [redacted] b6 b7C b7D

It is noted that [redacted] Pertinent offices have been requested to check indices & contact established sources to determine if [redacted] is connected in any way with the organized criminal element. b7D

Info developed by Miami and verified by New York in the interview of Mr. JACK DAVIS, President, Mary Carter Paint Co., on 2/28/67, revealed that the MORRIS LANSBURGH - SAM COHEN interests proposed to purchase the 4/9 interest of WALLACE GROVES in Paradise Island Enterprises. The LANSBURGH - COHEN interests have in the past been associated in gambling casino ventures in Havana, Cuba, and Las Vegas with individuals identified with the MEYER LANSKY gambling organization.

3 - Bureau
(2) - New York (92-3371)
1 - Miami
FJS: jgm
(6)

92-3371-127
SEARCHED.....INDEXED.....
SERIALIZED.....FILED.....
22 OCT 1967
FBI — NEW YORK

It is recommended that [redacted] be confidentially informed of [redacted] the Paradise Island Casino. It is understood that [redacted] b7D of the extent to which the organized criminal element has control of the casino. Confidential information concerning [redacted] will be obtained by [redacted] will be of considerable value in this matter.

It is the considered opinion of Miami that contact with Mr. JACK DAVIS of Mary Carter Paint Co. should be held in abeyance until information is received from [redacted] b7D re the operation of the hotel and casino at Paradise Island.

0-9 (Rev. 5-22-64)

F B I

Date: 10/4/67

Transmit the following in _____ (Type in plaintext or code)

Via AIRTEL (Priority)

SAC I
SAC II
SAC III
SAC IV
SUPV. 227

To: SAC, New York (92-3371)

From: Director, FBI (162-1-202)

GAMBLING ACTIVITIES - BAHAMAS
AR
(OO: MIAMI)

ReNYlet to the Bureau dated 9/27/67.

In view of the lack of current information pertaining to the operation of the proposed casino on Paradise Island, Nassau, Bahamas, Bureau authority is granted to contact Mr. Jack Davis, President, Mary Carter Paint Company, or his attorney, Mr. Charles Murphy, to determine such information as the identities of the individuals who have control of the gambling license and the individuals who will actually operate the casino.

1 - Miami (92-1242)

Super Tempo -
Keep me advised.
JH

92-3371-128

SEARCHED 4 INDEXED
SERIALIZED FILED
OCT 5 1967
FBI — NEW YORK
Ruin D.I AR

Sent Via _____ M Per _____

9/16/66

AIRTEL AIRMAIL

TO: DIRECTOR, FBI (162-1-202)

FROM: SAC, TAMPA (92-706) (RUC)

GAMBLING ACTIVITIES - BAHAMAS
AR
(OO: MM)

Re Miami airtel to Bureau, 8/10/66.

Numerous efforts have been made to contact Mr. I. G. DAVIS of the Mary Carter Paint Co. and on each occasion it has been determined that he was in the Bahamas. On 9/9/66, [redacted] stated he would return probably 9/15 or 16/66, however, contact on this date revealed that he is still in Nassau.

b6
b7C

He is scheduled to leave Nassau sometime today and proceed to New York and will be in the New York Office of the Mary Carter Paint Co. until probably 9/22/66. Inasmuch as Tampa has been unsuccessful in making contact with Mr. DAVIS this matter is being referred to New York.

LEAD:

NEW YORK DIVISION

AT NEW YORK, N. Y.

Will contact Mr. DAVIS at 375 Park Ave., Room 2206, telephone 421-6355, which is the New York Office of the Mary Carter Paint Co. and interview him as requested in referenced Miami airtel, a copy of which is enclosed for New York's information.

3 - Bureau
2 - New York (Encls. -1)
2 - Miami (1 - 92-1242) (1 - 92-1176)
1 - Tampa
JRB: mlm
(8)

APPEAL (OR REOPEN) CASE
ORIGIN MM DATE 9-20-66
SUPV WF SECT 22

WF 92-3371-14Q

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FBI - NEW YORK
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